Portfolio Manager Q&A

Value Line Larger Companies Focused Fund *(VALLX/VLLIX)*

Q1: What stood out in the U.S. equity market during the third quarter of 2026, and how did the Fund perform?

Equities demonstrated resilience during the third quarter despite persistent inflation, geopolitical uncertainty, and higher interest rates. The S&P 500 Index gained 2.30%, while the Russell 1000 Growth Index advanced 0.92%. Corporate earnings remained strong, particularly among stocks in the Information Technology (IT) and Energy sectors.

Market performance varied considerably by sector. IT, Health Care, Energy and Communication Services posted gains, while interest rate-sensitive areas such as Industrials, Utilities and Real Estate declined. Although market participation had broadened earlier in the year, investors increasingly favored larger companies with strong balance sheets and the ability to generate consistent earnings growth.

Against this backdrop, the Fund rose 6.05%, outperforming both the S&P 500 Index and the Morningstar Large Growth Category average return of 2.30% and 1.13%, respectively, for the three months ended September 30, 2026.

Please visit the Fund's performance page for complete performance information.

Q2: What drove the Fund's outperformance relative to the S&P 500 Index?

The Fund's outperformance compared to the S&P 500 Index was driven primarily by strong stock selection and to a lesser degree, its overweight allocation to the IT sector. The Fund's Technology holdings gained 13%, nicely ahead of the S&P 500's 7% return. Several software-related holdings rebounded sharply during the quarter, including Strategy (formerly MicroStrategy, MSTR, +76%), Palantir Technologies (PLTR, +60%), Salesforce (CRM, +47%), and CrowdStrike (CRWD, +39%).

In addition, the Fund's holdings in the Financials sectors gained 15%, while the Index's Financials sector was essentially flat. Coinbase Global (COIN, +28%) and Robinhood Markets (HOOD, +12%) benefited from renewed investor interest in digital assets and continued business expansion.

Q3: How is the Fund benefiting from continued investment in artificial intelligence?

The Fund has been a long-term owner in many of the companies that are now at the forefront of artificial intelligence (AI) development and infrastructure investment. Long before the AI investment boom, these companies were selected for ownership in the Fund due to their market leadership positions, strong business models and balance sheets, secular growth prospects, competitive advantages, and longer-term sales and earnings growth potential. The rapid expansion of AI in recent years has become a significant additional growth driver for these companies, extending and accelerating their long-term growth prospects.

Examples of Fund holdings that are benefiting both directly and indirectly from AI adoption include:

(Continued on next page)

Overall MORNINGSTAR Rating

★★

(VALLX)
Among 965 Large Growth Funds
(as of 9/30/2026)

The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the Fund's 3-, 5-, and 10-year (if applicable) Morningstar metrics.

Fund Facts

Symbol

Investor	VALLX
Institutional	VLLIX

Inception Dates

Investor	3/20/1972
Institutional	11/1/2015

Total Assets $453M *(as of 9/30/2026)*

Top 10 Holdings

(as of 9/30/2026)

Company	Weight (%)
Advanced Micro Devices Inc	8.90
NVIDIA Corp	7.25
Meta Platforms Inc Class A	5.99
Alphabet Inc Class A	5.23
CrowdStrike Holdings Inc Class A	4.67
Micron Technology Inc	4.46
Microsoft Corp	4.30
Broadcom Inc	4.02
Robinhood Markets Inc Class A	3.97
Amazon.com Inc	3.84

Value Line Funds
443.279.2015
www.vlfunds.com

- **AI infrastructure**: NVIDIA, Advanced Micro Devices and Broadcom are leaders in the AI semiconductor ecosystem. Hyperscalers like Alphabet, Amazon, Meta Platforms and Microsoft are among the largest investors in the AI compute infrastructure.
- **Enterprise software:** Salesforce and ServiceNow are incorporating AI capabilities into their platforms to help customers improve efficiency and automate business processes.
- **Digital platforms for e-commerce and financial services:** Shopify, Robinhood, and Coinbase are leveraging AI to enhance customer experiences, improve operations, and expand product offerings.

Q4: How do the Fund's forward revenue and earnings growth rates compare to the S&P 500 Index?

The Fund's estimated forward growth rates are significantly higher than those projected for the S&P 500 Index.

As of September 30, 2026, the Fund's equity portfolio had a 3-year projected average annual sales growth rate of nearly 34%, compared with 19% for the S&P 500 Index. The portfolio's 3- to 5-year estimated forward earnings growth rate was 33%, versus 24% for the Index.

Senior Portfolio Manager



Cindy Starke

Cindy Starke joined Value Line Funds as a portfolio manager in 2014 and has over 30 years of mid- and large-cap growth investment experience. Ms. Starke received a BS and an MBA from Fordham University.

The performance data quoted herein represents past performance and does not guarantee future results. Market volatility can dramatically impact the fund's short term performance. Current performance may be lower or higher than figures shown. The investment return and principal value will fluctuate so that an investor's shares, when redeemed may be worth more or less than their original cost. Past performance data through the most recent month end is available at vlfunds.com or by calling 800.243.2729. You should carefully consider investment objectives, risks, charges and expenses of Value Line Mutual Funds before investing. This and other information can be found in the fund's prospectus and summary prospectus, which can be obtained free of charge from your investment representative, by calling 800.243.2729, or by clicking on the applicable fund at www.vlfunds.com. Please read it carefully before you invest or send money.

The average annual returns shown above are historical and reflect changes in share price, reinvested dividends and are net of expenses. Investment results and the principal value of an investment will vary.

The Morningstar Rating™ for funds, or "star rating" is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. The Fund received 4 stars for the 3-year period and 2 stars for the 5- and 10-year periods ended 9/30/2026 among 965, 914 and 744 Large Growth funds, respectively. © 2026 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete, or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

3-Yr Average Projected Annual Sales Growth Rate is the year-over-year average growth rate of holdings based on analysts' consensus revenue estimates of holdings. 3-5 Yr Average Estimated Forward Earnings Growth Rate is the year-over-year average growth rate based on analysts' consensus EPS (earnings per share) estimates. If EPS estimates are available for 5 years forward, it is an average of 5 years; otherwise, it is an avg of 3 years forward EPS estimates. The price/earnings-to-growth (PEG) ratio is a valuation metric that adjusts traditional earnings multiples by factoring in a company's expected growth rate.

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